SECRETARY OF DEFENSE WILLIAM J. PERRY PRESS CONFERENCE DISCUSSING NUCLEAR WEAPON AGREEMENT TOKYO, JAPAN OCTOBER 22, 1994

Thank you very much Ambassador Mondale.

I come to Tokyo at an historic moment. The agreement in Geneva-the so-called Framework Agreement-was just signed last night. I'm here at the request of the President to consult about the implementation of that agreement with the Government of Japan.

The agreement is a result of seventeen long and difficult months of negotiation. All during that period we worked in close partnership with the Government of the Republic of Korea and the Government of Japan -- particularly closely during two periods which I would term crisis periods. Late last spring, when the North Koreans began to unload the fuel from the reactor without appropriate supervision by the IAEA, and we broke off negotiations and, with full consultations with Korea and Japan, began plans to institute sanctions against North Korea, and also to increase the level of our military forces in the Republic of Korea. That crisis was resolved when President Carter met with Kim Il Sung and reached an agreement to restart the negotiations with North Korea being willing to offer a termination of its nuclear program.

We had almost completed this agreement a week ago when another crisis arose, and, in that crisis, the North Korean Government was unwilling to accept a provision for a North-South dialogue that would proceed in parallel with the implementation of this agreement. We found that unacceptable. Our view was strongly backed by the Republic of Korea, and by the Government of Japan. And finally, just as we were ready to break off the talks, the North Koreans agreed on that point.

Now there are several lessons we can draw from the success of this negotiation. The first is that tenacity is important. The second is that firmness is important, and the third is that cooperation is important. All during this seventeen months we worked in close cooperation with South Korea and Japan. In all of this period, we have worked harmoniously to achieve this common objective. Now we're beginning a new phase of that cooperation, namely cooperation in the implementation of the agreement.

I called this agreement historic. I believe there is no other agreement that is in any way comparable to the one that has just been reached in terms of breadth and significance and, in some ways, the complexity of its implementation. That is why cooperation in the months ahead will be so important. We expect a long and difficult road ahead, and that the lessons we've learned during the negotiation -- tenacity, firmness and cooperation -- are going to be just as important in the implementation of the agreement.

This agreement freezes the North Korean nuclear program, and therefore removes the crisis that we were facing, as they were about to process the spent fuel from a reactor which would have generated plutonium which could be used for the manufacture of nuclear weapons -- perhaps four or five nuclear weapons from that amount of fuel. Most importantly, the agreement provides for the dismantlement, over a period of time, of all of the major facilities in the North Korean nuclear program. Dismantlement will bring a stop to the program and make it impossible for it to be restarted again, thereby avoiding the prospect of the North Korean Government generating enough plutonium for dozens of nuclear weapons a year.

I want to make a specific point here which I think has not been well understood. This agreement for freezing and dismantlement goes well beyond any requirement of the IAEA or the Nuclear Non-proliferation Treaty -- well beyond. The agreement also provides for, first, the storage and, eventually, the removal of the spent fuel. This is fuel which would have provided enough plutonium for four or five nuclear weapons. The agreement provides for complete transparency through monitoring and IAEA inspections, and -- most importantly from a political point of view -- it reopens the North-South dialogue. This dialogue is our best hope over the long-term for political improvement between the North and the South and for eventually improving the

climate, which would allow for a real move towards a peaceful settlement on the Korean peninsula.

We will need to monitor this agreement closely. I emphasize that compliance with the agreement is not based on trust. It is based on the provisions for monitoring and on the phased way in which benefits are brought in. First of all, there's no possibility of evading the terms of the agreement, and, second, there's no benefit to them from abrogating the agreement at any point in the future. If they chose to abrogate the agreement it would only be a negative benefit to them. Because of the freeze provisions in this treaty, they will not move forward while the agreement is going on, and therefore they are not gaining a benefit of time.

This Framework Agreement is very complex in its nature, and in the months and years ahead it will require very close cooperation with the Government of Japan and the Government of the Republic of Korea to effect its full implementation. We look forward to that partnership. In my meetings this morning and in the Republic of Korea yesterday, we conducted really the first partnership meetings in the implementation of the agreement.

I want to make two other brief comments about the discussions I've had here today in other areas. I took the advantage of being here to brief officials in the Japanese Government about the very interesting meetings that I had in China, where I spent three days meeting with senior officials in the Chinese Government. Those were the first meetings in, I think, in six or seven years by a Secretary of Defense with Chinese officials. I met with the President and the Premiere, Defense Minister, the Foreign Minister, and the Minister of the Commission on the Science and Technology Industry. That was a very important meeting and it affects in some ways the issue of regional security. Therefore it was of great interest to the Government of Japan. So as part of our partnership with Japan, we had a full discussion on the significance of that meeting. I also expressed our appreciation to the Government of Japan for the work that they are doing in Zaire through the UN Peacekeeping Force and offered our continued support for the work that they are doing in Zaire.

I think with these opening comments I will now ask for your questions and do my best to answer them.

Q: Dr. Perry, even if the North Koreans comply with all aspects of this agreement, the estimates are that it will cost four billion dollars which is a lot of yen by anybody's standards. In the last two days, have the Koreans and the Japanese indicated to you that they are willing to pay the bulk of this? How much they're willing to pay? Is the United States already actively seeking other countries to take part in paying for this?

Secretary Perry: In my talks with government officials in Korea and Japan, they indicated full support for the agreement and a commitment to be a partner with the United States as we proceed forward in its implementation. We are just beginning now a whole series of meetings and discussions about how that partnership is going to be implemented. We will have ministerial meetings in the next few weeks. We'll have meetings at the assistant secretary level, and we'll have a whole series of expert meetings that will define in detail what the technical implementation of the treaty will be. We'll work out the financing among other issues. So there are broad understandings with these two governments that they will provide financial support. My task here today was not to negotiate the specific terms of that financial agreement, that will happen in the weeks ahead.

Q: Mr. Secretary, with this historic step in the Asia Pacific region, do you think the time has come now to start considering some kind of future military security system in North Pacific or maybe in Asia Pacific region? Perhaps with the participation of all major countries including maybe Russia, China and who knows maybe North Korea?

Secretary Perry: I think it is premature to consider a regional security alliance including all of those nations. However, I think it is entirely appropriate to begin detailed discussions on security issues with all of those nations. Indeed in my talks in China, Korea, and Japan and in previous discussions in Russia, we have talked about regional security issues and how the various nations can work together in a participatory way. In the APEC meeting in Indonesia next month the heads of states of most of the nations of region will meet. The thrust of those talks will be economic and political issues, but those meetings can also serve as a forum for some discussions on security issues as well.

Q: Mr. Secretary, how much misbehavior by the North Koreans in areas outside of this nuclear agreement is the United States willing to tolerate before

taking action to pull back on or somehow jeopardize the agreement itself? By misbehavior I mean things like arms sales, nuclear proliferation, perhaps aggressive actions along the border, that sort of thing?

Secretary Perry: This Framework Agreement is of great security value to the United States, Japan and the Republic of Korea, in and of itself. I see no reason to link this agreement with other actions of (North) Korea. It is quite clear that a portion of this agreement envisions an improvement in political relationships, particularly the inter-Korean dialogue. And clearly the behavior of North Korea will contribute in a very important way to whether that potential for political improvement really takes place. It is also true that they hope to get some economic benefits from the agreement through relaxation of sanctions on trade. But to get major economic benefits, they need to reduce the very heavy burden on their economy of their defense expenditures. Therefore, they ought to be looking for a reduction in defense expenditures, and the size of the very large army that they have in forward deployment along the border. That would not only benefit their economy, but also be a very important contribution to reducing regional tensions.

Q: You said yesterday that you're still worried about the conventional threat from North Korea. Are you satisfied that the South Koreans are doing enough to correct the weaknesses in their own conventional forces, things like intelligence and counter-battery radar, the things we were talking about earlier this year?

Secretary Perry: I guess me, as the Secretary of Defense, and probably the Minister of National Defense of the Republic of Korea as well, are never satisfied with everything that we're doing in the defense area, but General Luck in his briefing to Minister Rhee (ph) and myself yesterday said that the readiness of the combined Korean and the American forces under his command was at the highest level he has ever known it. I take that to be a very good indication, not only of the improvements being made in the American forces there in the last few years, but the improvements being made in the forces of the Republic of Korea.

Q: Mr. Secretary, you've characterized yourself as a hardliner on the issue of North Korea, and I'm wondering if as a hardliner you are concerned about the

precedent that this agreement might set for other renegade nations who might feel that belligerence would pay off?

Secretary Perry: I don't characterize myself as a hardliner, other people have characterized me as a hardliner. (Laughter) My position on the nuclear program in North Korea has consistently been that a nuclear weapon program in North Korea posed a serious security threat and should not be tolerated. I've always favored taking very strong action to resolve that.

My preferred course of action has always been diplomatic, but I do believe that one of the reasons our diplomatic action has succeeded is because we stood very firm last spring -- when the North Koreans were violating their agreements on the NPT -- and we were prepared to go for sanctions, we were prepared to increase our military forces. I do believe there's an important relation between military strength and successful diplomacy.

Now, having said that, I do not believe that there is anything in this agreement which would lend itself to being applied to other nations in other situations. The security problem posed by the nuclear weapon in North Korea is truly unique. I cannot think of any comparable situation in the world, or one which would lead the United States to make the kind of proposal made in this Framework Agreement. It is not just a question that the North Korean nuclear program was very far advanced and involved extensive investments -- investments that indeed were impoverishing the country -- but it was a companion question of the massive deployment of conventional forces. More than a million-man army, two-thirds of who were forward-deployed. The combination of these factors made the security threat posed by the nuclear weapon program in North Korea truly unique.

Q: I would like to talk about progress in the reactor in North Korea. Japan is going to contribute financially to the construction of a light-water reactor construction, and the Japanese Government has said that they will support that. However, the Japanese Government said it would like to see the clarification of the past behavior of North Korea. However, when we look at the agreement concluded yesterday, it looks as if you're not going to clarify the past behavior of North Korea very soon, but only a long way in the future. So without clarifying past behavior, we are going to help the construction of light-water reactors. So it looks as if the premise the Japanese Government standing on is

sort of weak. There must be a lot of concern and anxiety on the Japanese side about the clarification of the past behavior of North Korea. Can you comment?

Secretary Perry: Thank you. However, I do not agree with that assessment of the problem. Let me explain why. First of all, the issue of past behavior has to do with our assessment that the North Koreans have produced perhaps eight kilograms of plutonium in their previous operation of the reactor. I'm comparing that assessment with what they are agreeing to stop, which involves the production of many hundreds of kilograms. We want to put in perspective the importance of what has been done in this agreement to stop their present activities and future activities as well as clarifying the past.

Secondly, relative to clarifying the past, they have agreed to full compliance with the NPT, subject to inspection by the IAEA. NPT is, of course, the Nuclear Non-Proliferation Treaty. One provision of the NPT requires them to declare any plutonium that they have and make it subject to inspection. They have agreed to that, and they are subject to that from the first day of this agreement. The question now is not whether the agreement calls for them to clarify the past -- which it does, and does immediately -- but what is our ability to monitor, to verify, compliance with that agreement.

The way we think this can best be done involves special inspections of waste storage at their nuclear facility, which they have consistently refused to allow the IAEA to do. In this agreement they do say that that will be done, but they put a time delay in that verification step. Their reason for that is very clear, just as we have a phased implementation of the benefits that are given to them in this agreement, they wanted to have some phased implementation on what they are producing in return.

Would I have preferred an inspection immediately? Of course! But in the negotiations -- as I have pointed out to a colleague of mine -- Ambassador Gallucci did an outstanding job in this negotiation, but he had one disadvantage. He was not sitting on both sides of the negotiating table. The other side had interests it wanted to protect as well and given that basic fact, he did an outstanding job in working out a reasonable accommodation of both sides' interests.

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Q: I wonder what your reaction is to Hans Blix being quoted as saying that this agreement gives no assurances that North Korea has nuclear weapons or would no longer be able to develop nuclear weapons?

Secretary Perry: Without trying to comment on Mr. Blix, I will simply quote a pertinent statement of his. He says, quote, all we can say today about the agreement is that it is going in the right direction. I agree with him on that. He also said that this agreement has charted a long and difficult road, and I agree with that. That is precisely why we will require ongoing cooperation between our three governments, and why the partnership between the United States, Japan, and the Republic of Korea is going to be so crucial in the months ahead. Thank you very much.